

THE HONORABLE RONALD B. LEIGHTON

UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF WASHINGTON

HSBC BANK USA, N.A.; ONEWEST
BANK, FSB; INDYMAC BANK, FSB;
SIERRA PACIFIC MORTGAGE
COMPANY, INC., a California
Corporation; GREENHEAD
INVESTMENTS, INC., a California
Corporation; MORTGAGE ELECTRONIC
REGISTRATION SYSTEMS, INC., a
Delaware Corporation;

Plaintiffs,

v.

STEPHEN AND YOUKO MCFARLANE,

Defendants.

No. 3:10-cv-05331

STIPULATED JUDGMENT IN
FAVOR OF PLAINTIFFS

I. STIPULATION

1. Plaintiffs and Defendants have jointly stipulated to the entry of this judgment in favor of Plaintiffs on the following terms.
2. Plaintiffs started this lawsuit on May 10, 2010 against Stephen and Youko McFarlane (“the McFarlanes”) seeking declaratory and injunctive relief to remove fraudulent UCC filings which the McFarlanes caused to be recorded with the Washington State

1 Department of Licensing. The McFarlanes admit and acknowledge that the filings were
2 completely without basis, unauthorized, and fraudulent and that they had no basis to assert a
3 debt against any of the plaintiffs. The McFarlanes never entered a security agreement with the
4 plaintiffs. Plaintiffs never authorized the recording of a financing statement.
5

6 3. Prior to the initiation of this lawsuit, counsel for plaintiffs requested Stephen
7 and Youko McFarlane to withdraw the financing statement and provide an accounting as
8 required by RCW 62A.9A.210. The McFarlanes refused and instead filed yet another
9 fraudulent UCC financing statement adding the law firm representing plaintiffs (Lybeck
10 Murphy, LLP) as an additional “debtor”. The McFarlanes admit and acknowledge that the
11 amended financing statement was also unauthorized and fraudulent and filed in retaliation.
12

13 4. The McFarlanes acknowledge and admit that they filed the fraudulent financing
14 statements for the purposes of harassment and to intimidate plaintiffs and their lawyer. The
15 McFarlanes’ wrongful filing of the fraudulent financing statement has caused plaintiffs actual
16 damages and triggers the imposition of statutory damages of \$500 for each wrongfully recorded
17 record, each failure to file a termination statement, and each failure to provide an accounting.
18

19 5. The parties wish to terminate this matter with the entry of the attached
20 judgment. The McFarlanes acknowledge that a judgment against them for \$2,500 in statutory
21 damages is warranted and that the injunctive relief set forth in the proposed judgment is
22 reasonable and appropriate given the McFarlane’s previous fraudulent filing and retaliatory
23 filing of an amended UCC financing statement.
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II. JUDGMENT

Based upon all of the files, records, proceedings, and the stipulations of the parties, IT
IS HEREBY ORDERED AND ADJUDGED:

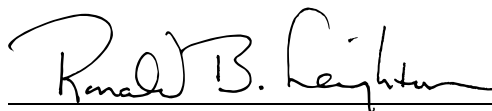
1. Judgment is hereby entered in favor of Plaintiffs and against Defendants, jointly and severally, in the amount of \$2,500 for statutory damages.

2. The UCC financing statements and amendments filed by Stephen and Youko McFarlane (Washington Department of Licensing File Number: 2010-057-5691-0; and Amendment Number 2010-089-3348-6) are without basis, are unauthorized and fraudulent, and shall be permanently removed and expunged from the public record.

3. Stephen and Youko McFarlane are permanently enjoined from filing fraudulent UCC financing statements or any other fraudulent documents concerning: (a) HSBC Bank USA, N.A., HSBC Finance Corp, and HSBC Mortgage Services; (b) OneWest Bank, FSB; (c) IndyMac Bank, FSB; (d) Sierra Pacific Mortgage Company, Inc.; (e) Greenhead Investments Inc.; (e) Mortgage Electronic Registration Systems, Inc.; (f) Lybeck Murphy, LLP; and affiliated or related entities, their employees or agents with government agencies, including but not limited to the Washington State Department of Licensing, absent relief from this court.

4. Stephen and Youko McFarlane shall pay the judgment of \$2,500 for statutory damages to counsel for Plaintiffs within twenty (20) days of the date of this judgment.

IT IS SO ORDERED this 30th day of June, 2010.



RONALD B. LEIGHTON
UNITED STATES DISTRICT JUDGE

Presented by:

LYBECK MURPHY, LLP

By: /s/ James P. Murphy
Lory R. Lybeck (WSBA #14222)
James P. Murphy (WSBA #18125)
Benjamin R. Justus (WSBA #38855)
Attorneys for Plaintiffs

APPROVED AND NOTICE
OF PRESENTATION WAIVED:

Counsel for Defendants:

PETER WILBURN, ATTORNEY AT LAW

By: /s/ Peter Wilburn
Peter Wilburn (WSBA #41049)
Attorney for Defendants